

The dollar index traded within a very narrow range as traders awaited the US CPI data

Powell's second day of testimony reiterated that more convincing data is needed

Fed Chair Powell acknowledged significant progress on reducing the balance sheet but noted that there is still more work ahead and pinpointing the exact stopping point remains challenging. He mentioned that a gradual approach might offer more flexibility. Powell reiterated his stance against waiting for inflation to reach 2% before easing policy, emphasizing the need for greater confidence, which entails more positive inflation data. While Powell is somewhat optimistic about inflation decreasing, he is not yet ready to express full confidence that it will sustainably fall to 2%.

US wholesale inventories rise in May

U.S. wholesale inventories saw a solid increase in May, suggesting that inventory investment may contribute to economic growth in the second quarter. According to the Commerce Department's Census Bureau, wholesale inventories grew by 0.6%, matching last month's estimate. This follows a 0.2% rise in April. Economists had anticipated no change in inventory figures. Year-over-year, inventories decreased by 0.5% in May. Private inventory investment has been a drag on GDP for the past two quarters, as businesses managed their stocks cautiously amid strong domestic demand.

China CPI inflation slows in June, PPI shrinks at slowest pace in 16 months

In June, Chinese consumer inflation decreased as ongoing worries about China's economic outlook kept spending subdued. The Consumer Price Index (CPI) inflation rose by 0.2% year-on-year in June, which was below the anticipated 0.4% and down from 0.3% in May. On a month-to-month basis, CPI inflation dropped by 0.2%, compared to the expected decrease of 0.1%, worsening from a 0.1% decline in May. This suggests a continued deflationary trend in China. On the other hand, Producer Price Index (PPI) inflation showed some improvement in June, contracting by 0.8%, which was in line with expectations and better than the 1.4% decline in the previous month. This was the smallest PPI inflation contraction since February 2023, supported by ongoing government aid for the manufacturing sector.

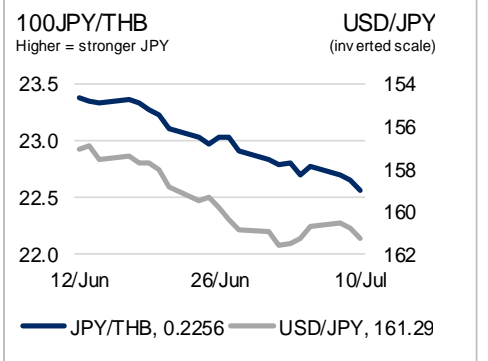
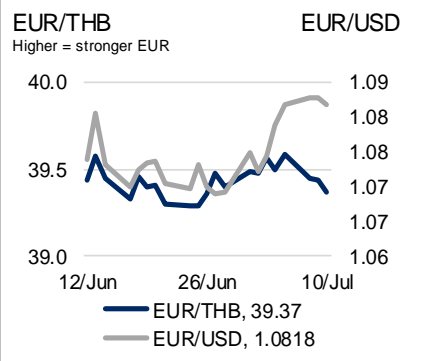
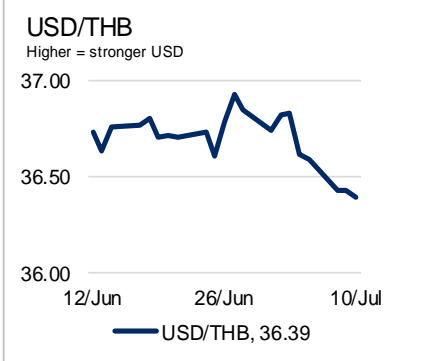
The dollar index traded within a very narrow range as traders awaited the US CPI data.

The 10-year government bond yield (interpolated) on the previous trading day was 2.63, -3.07 bps. The benchmark government bond yield (LB346A) was 2.65, -2.00 bps. Meantime, the latest closed US 10-year bond yields was 4.28, -2.0 bps. USDTHB on the previous trading day closed around 36.39 moving in a range of 36.27 - 36.32 this morning. USDTHB could be closed between 36.20-36.40 today. The dollar was rangebound and just about retained the 105.00 status heading into Thursday's CPI release, while Fed Chair Powell largely echoed remarks from the prior day's testimony. The Euro marginally gained against the greenback with pertinent drivers light ahead of the ECB quiet period beginning on Thursday. The British Pound outperformed following hawkish remarks by BoE's Pill who noted that annual services price inflation and wage growth continue to point to uncomfortable strength in those underlying inflation dynamics. The Japanese yen JPY continued to weaken which saw USD/JPY gain a firmer footing at the 161.00 handle although has since pulled back from its intraday peak of around 161.80.

Sources : ttb analytics , Bloomberg, CNBC, Trading economics, Investing, CEIC

SET Index	1,323.3	S&P500	5,633.9	10Y UST	4.28%	Brent	81.7	Gold	2,372.9
10-Jul	▲ 0.25%	10-Jul	▲ 1.02%	10-Jul	▼ -2.0 bps	9-Jul	▼ -4.8%	10-Jul	▲ 0.44%

USD/THB 36.39	Daily ▼ -0.09%	EUR/THB 39.37	Daily ▼ -0.17%	JPY/THB 0.2256	Daily ▼ -0.41%
Falling Trend	Weekly ▼ -0.60%	Falling Trend	Weekly ▼ -0.32%	Falling Trend	Weekly ▼ -0.60%
	Monthly ▼ -0.92%		Monthly ▼ -0.17%		Monthly ▼ -3.56%



Sources: ttb analytics, TMB Treasury, CEIC, ThaiBMA, Bloomberg, CNBC, BBC, Reuters, Bangkokbiznews, FX data: BoT's daily closing rates

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Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		105.09	0.1%	-0.2%	-0.2%	104.07	106.03
EUR/USD		1.0818	-0.1%	0.3%	0.8%	1.0690	1.0892
USD/JPY		161.29	0.3%	0.0%	2.7%	155.49	161.63
USD/CHF		0.8972	-0.1%	-0.4%	-0.1%	0.8841	0.9043
GBP/USD		1.2797	-0.1%	0.4%	0.4%	1.2629	1.2816
USD/CAD		1.3632	0.0%	0.0%	-0.9%	1.3608	1.3777
AUD/USD		0.6739	0.0%	0.4%	2.0%	0.6583	0.6746
NZD/USD		0.6111	-0.3%	0.0%	-0.5%	0.6050	0.6205
ASEAN Dollar		106.36	-0.2%	-0.7%	-0.2%	105.91	107.12
USD/THB		36.39	-0.1%	-0.6%	-0.9%	36.38	36.93
USD/SGD		1.3493	0.0%	-0.2%	-0.2%	1.3446	1.3586
USD/MYR		4.7032	-0.1%	-0.1%	-0.3%	4.6917	4.7210
USD/IDR		16,187	0.1%	-0.5%	-0.3%	16,171	16,383
USD/PHP		58.55	-0.3%	-0.6%	-0.6%	58.71	59.15
USD/CNY		7.2753	-0.01%	-0.1%	0.3%	7.2426	7.2894
USD/HKD		7.8050	-0.01%	0.0%	0.0%	7.7975	7.8156

FX Swap Market and BoT's Reserves

Foreign Fund Flows (THB.mn)

USTH FX Sp	1M History	Last	%Chg(1D)
1-month		0.15	0.15
3-month		0.70	-0.05
6-month		1.50	-0.20

Date	Equity	Bond	Total
10/07/2024	-2,048	3,136	1,088
09/07/2024	-916	1,738	822
08/07/2024	384	-92	291
05/07/2024	1,688	1,612	3,300
04/07/2024	-1,369	-911	-2,280
Last 5 days	-2,262	5,483	3,222

Reserves (\$mn)	3M History	Last	\$mn Chg(1W)
Total		224,329	-405
Gold		17,548	40
SDR		5,437	0
IMF Reserves		1,116	0
Foreign Ccy		200,228	-446
Net Fwd Position		28,315	90

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -3,426	↓ -5,207	↓ -8,633
QTD	Quarter	↓ -3,426	↓ -5,207	↓ -8,633
YTD	Year	↓ -120,457	↓ -51,193	↓ -171,650

Money Market

Last update: 28/06/2024

THB BIBOR	1M Hist	Last	1M Range		THB FIX	1M Hist	Last	1M Range		USD LIBOR	1M Hist	Last	1M Range	
			Min	Max				Min	Max				Min	Max
ON		2.50	0.00	2.50	ON		1.72	1.14	1.72	ON		0.08	0.07	0.08
1W		2.52	0.00	2.53	1W		1.61	0.22	1.61	1W		0.00	0.00	0.00
1M		2.55	0.00	2.55	1M		1.59	0.88	1.72	1M		0.35	0.12	0.35
2M		2.60	0.00	2.61	2M					2M		0.00	0.00	0.00
3M		2.65	0.00	2.65	3M		1.81	1.09	1.82	3M		0.75	0.34	0.75
6M		2.71	0.00	2.73	6M		1.95	1.31	1.99	6M		1.04	0.56	1.04
12M		2.81	0.00	2.84	12M		2.26	1.59	2.26	12M		1.49	1.00	1.49

Last Updated: 29/06/2023

Last Updated: 09/03/2022

Note: D=d=day; M=mth=month; Y=year; %chg = percentage change; chg = change; USTH FX Sp = USD/THB FX Swap point; \$mn=million US dollar; THB.mn= Thai baht million; Hist=history; THB implied = Thai baht rate that are calculated by FX forward rate; ASEAN Index = value average ASEAN FX Jan2008=100

Sources: ttb analytics, CEIC

Fixed Income Market

Fixed Income	1M History	YTM (%)	Bps Chg (1D)	Bps Chg (1W)	Bps Chg (1M)	1M Range	
						Min	Max
UST10y		4.2800	-2.00	-8.00	-19.00	4.20	4.48
Gilt 10y		4.0866	-1.71	-13.83	-20.04	4.02	4.29
Bund 10y		2.5400	-2.00	-6.00	-5.00	2.37	2.66
JGB 10y		1.0790	-1.30	-2.10	4.40	0.95	1.10
TGB 1y		2.3747	0.16	0.17	3.19	2.33	2.37
TGB 2y		2.3469	-0.56	-1.19	-2.90	2.35	2.38
TGB 5y		2.3912	-4.38	-9.57	-12.81	2.43	2.53
TGB 7y		2.5145	-2.84	-7.88	-12.26	2.54	2.65
TGB 10y		2.6333	-3.07	-6.17	-14.87	2.66	2.79
AAA Spread		59.07	0.92	-2.18	-11.44	58.15	73.93
AA Spread		76.78	1.01	0.60	-5.84	66.99	82.62
A Spread		103.99	-1.76	-7.31	-19.24	103.99	124.71
BBB Spread		0.00	-235.88	-236.10	-237.53	0.00	239.99

Note: UST = US Treasury; Gilt = UK Government Bond; JGB = Japanese Government bond; Bund = German Government Bond; TGB = Thai government Bond; tenors of the bonds are put after their name; bps=basis point; Corporate spreads are Thai and reported in basis points over government bond for the tenors 3-5 years.

Commodity Market

Commodity	1M History	Last	% Chg (1D)	% Chg (1W)	% Chg (1M)	1M Range	
						Min	Max
Brent Crude		81.69	-4.67%	-6.5%	0.2%	79.34	87.43
London Gold		2372.9	0.44%	0.7%	2.5%	2,297.7	2,372.9

Note: Unit of Brent crude oil price is \$/barrel; unit of gold price is \$/ounce

Equity Market

Equity Index	1M History	Last	% Chg (1D)	% Chg (1W)	% Chg (1M)	1M Range	
						Min	Max
S&P500 (US)		5,633.9	1.0%	1.7%	3.9%	5,347.0	5,633.9
STOXX (EU)		509.7	1.1%	-0.4%	-1.6%	499.0	521.0
FTSE All-Share(UK)		4,076.1	0.2%	-0.3%	2.9%	3,933.2	4,088.1
DAX (DE)		18,407.2	0.9%	-0.2%	-1.2%	18,002.0	18,630.9
CAC All-Tradable(FR)		5,606.3	0.9%	-1.5%	-3.9%	5,528.3	5,940.9
TOPIX (JP)		2,909.2	0.5%	0.4%	5.5%	2,700.0	2,909.2
Shanghai (CH)		3,081.4	-0.7%	-0.6%	-3.2%	3,063.6	3,198.8
Hang Seng (HK)		17,471.7	-0.3%	-3.1%	-3.9%	17,471.7	18,476.8
ASX 200 (AU)		7,816.8	-0.2%	-0.2%	1.3%	7,700.3	7,860.0
SET (TH)		1,323.3	0.3%	1.7%	0.5%	1,288.6	1,332.7
SET50 (TH)		822.0	0.4%	1.7%	1.1%	800.1	822.0
Straits Times (SG)		3,459.9	1.0%	0.6%	4.6%	3,297.6	3,459.9
FTSE Malay (MY)		1,618.4	0.2%	0.2%	0.2%	1,584.9	1,618.4
JSX Index (ID)		7,287.0	0.2%	0.9%	5.3%	6,726.9	7,287.0
PSE Index (PH)		6,489.4	-1.0%	-0.3%	0.5%	6,158.5	6,556.7
Vn Index (VN)		1,285.9	-0.6%	0.5%	-1.1%	1,245.3	1,301.5

Sources: ttb analytics, CEIC

Note: A = actual, P = previous; C = consensus

Important Disclosures

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